

TEACHERS' FUND FOR RETIREMENT
PERFORMANCE REPORT FOR JUNE 2002

8/15/2002

	Assets as of June 30, 2002			*RATES OF TOTAL RETURN						
	EMV \$(000)	Actual Alloc	Policy Alloc	Quarter Ended				2002 FYTD	YR Ended 6/30/2001	
				Jun-02	Mar-02	Dec-01	Sep-01			
LARGE CAP EQUITY										
Structured Growth										
Alliance Capital Management	23,871	2.1%	2.3%	-17.61%	-5.89%	15.49%	-20.69%	-28.98%	-28.08%	
RUSSELL 1000 GROWTH				-18.67%	-2.59%	15.14%	-19.41%	-26.49%	-36.18%	
Structured Value										
LSV	27,423	2.4%	2.3%	-5.22%	9.28%	8.73%	-8.79%	2.72%	28.93%	
RUSSELL 1000 VALUE				-8.52%	4.09%	7.37%	-10.95%	-8.96%	3.84%	
Enhanced S&P Index (1)										
Northern Trust Global Investments	48,465	4.2%	4.5%	-12.73%	0.48%	10.54%	-14.35%	-16.98%	N/A	
Strong Capital	48,994	4.2%	4.5%	-15.71%	0.82%	11.72%	-15.98%	-20.23%	N/A	
Westridge Capital	52,895	4.6%	4.5%	-13.34%	0.47%	10.90%	-14.60%	-17.54%	N/A	
Total Enhanced S&P Index	150,354	13.0%	13.5%	-13.92%	0.59%	11.05%	-14.96%	-18.23%	N/A	
S&P 500				-13.40%	0.28%	10.69%	-14.68%	-17.98%	N/A	
Enhanced Russell 1000 Index (1)										
Los Angeles Capital (Wilshire)	49,724	4.3%	4.5%	-12.70%	1.45%	10.79%	-15.41%	-17.00%	N/A	
RUSSELL 1000				-13.46%	0.74%	11.11%	-15.23%	-17.89%	N/A	
S&P 500 Index										
State Street - S&P 500 Index	84,358	7.3%	7.5%	-13.37%	0.28%	10.69%	-14.68%	-17.96%	-14.75%	
S&P 500				-13.40%	0.28%	10.69%	-14.68%	-17.98%	-14.83%	
TOTAL LARGE CAP EQUITY	335,730	29.1%	30.0%	-13.14%	0.86%	11.03%	-14.80%	-17.13%	-11.52%	
S&P 500				-13.40%	0.28%	10.69%	-14.68%	-17.98%	-14.83%	
SMALL CAP EQUITY (2)										
SEI	119,457	10.4%	10.0%	-10.27%	2.37%	20.00%	-20.04%	-11.87%	N/A	
RUSSELL 2000 + 200 bp				-7.85%	4.48%	21.59%	-20.29%	-6.68%	N/A	
TOTAL SMALL CAP EQUITY	119,457	10.4%	10.0%	-10.27%	2.37%	20.00%	-20.02%	-11.84%	1.69%	
RUSSELL 2000				-8.35%	3.98%	21.09%	-20.79%	-8.59%	0.57%	
INTERNATIONAL EQUITY										
Int'l Large Cap - Core										
State Street	42,702	3.7%	4.0%	-4.95%	1.49%	7.71%	-15.06%	-11.74%	-17.93%	
MSCI 50% HEDGED EAFE INDEX				-7.12%	1.26%	8.60%	-16.41%	-14.62%	-17.95%	
Int'l Large Cap - Active										
Capital Guardian	113,571	9.8%	10.0%	-7.53%	0.92%	12.46%	-17.26%	-13.17%	-20.14%	
Bank of Ireland	24,598	2.1%	2.0%	-1.16%	N/A	N/A	N/A	N/A	N/A	
Total Int'l Large Cap - Active	138,169	12.0%	12.0%	-6.43%	0.86%	12.46%	-17.26%	-12.19%	-20.14%	
MSCI 50% HEDGED EAFE INDEX				-7.12%	1.26%	8.60%	-16.41%	-14.62%	-17.95%	
Int'l Small Cap - Active										
Lazard	26,168	2.3%	2.0%	6.73%	N/A	N/A	N/A	N/A	N/A	
Wellington	25,118	2.2%	2.0%	6.85%	N/A	N/A	N/A	N/A	N/A	
Total Int'l Small Cap - Active	51,287	4.4%	4.0%	6.79%	N/A	N/A	N/A	N/A	N/A	
SSB Broad Market Index <\$2bn				3.90%	N/A	N/A	N/A	N/A	N/A	
TOTAL INTERNATIONAL EQUITY	232,158	20.1%	20.0%	-3.61%	0.62%	10.06%	-16.14%	-10.49%	-18.81%	
MSCI 50% HEDGED EAFE INDEX				-7.12%	1.26%	8.60%	-16.41%	-14.62%	-17.95%	
EMERGING MARKETS										
Value - Active - Commingled										
Capital Guardian	57,919	5.0%	5.0%	-12.54%	10.64%	29.87%	-24.96%	-5.69%	-29.31%	
MSCI EMERGING MKTS FREE INDEX				-8.39%	11.41%	26.60%	-21.60%	1.30%	-25.93%	
DOMESTIC FIXED INCOME										
Core Bond										
Western Asset	13,365	1.2%	1.1%	3.65%	0.42%	-0.15%	4.75%	8.87%	13.40%	
LB AGGREGATE				3.69%	0.09%	0.05%	4.61%	8.62%	11.22%	
Active Duration										
Criterion	13,151	1.1%	1.1%	2.99%	0.42%	-0.76%	3.28%	6.00%	12.34%	
LB AGGREGATE				3.69%	0.09%	0.05%	4.61%	8.62%	11.22%	
Index										
Bank of North Dakota	14,105	1.2%		4.60%	-0.17%	-0.09%	5.01%	9.56%	11.04%	
BND (Match Loan Program)	10,981	1.0%		1.42%	1.37%	1.45%	1.43%	5.79%	5.89%	
Total Bank of North Dakota	25,086	2.2%	1.8%	3.76%	1.21%	0.24%	4.19%	9.68%	9.79%	
LB GOV/CORP				3.75%	-0.47%	0.06%	4.76%	8.24%	11.13%	

TEACHERS' FUND FOR RETIREMENT
PERFORMANCE REPORT FOR JUNE 2002

8/15/2002

	Assets as of June 30, 2002			*RATES OF TOTAL RETURN						
	EMV \$(000)	Actual Alloc	Policy Alloc	Quarter Ended				2002 FYTD	YR Ended 6/30/2001	
				Jun-02	Mar-02	Dec-01	Sep-01			
Core										
Strong Capital	12,779	1.1%	1.1%	-0.44%	-0.85%	0.45%	4.04%	3.16%	13.45%	
LB BAA BOND INDEX EX YANKEE BONDS				2.06%	-0.23%	0.35%	3.59%	5.85%	6.00%	
Convertibles										
TCW	11,374	1.0%	1.1%	-15.27%	-1.90%	12.91%	-16.04%	-21.20%	-13.58%	
1ST BOSTON CONVERTIBLE INDEX				-8.47%	-0.16%	7.67%	-11.01%	-12.44%	-11.87%	
Timberland										
Evergreen (Wachovia)	8,216	0.7%	0.7%	18.77%	0.00%	0.15%	N/A	N/A	N/A	
CPI + 8				2.52%	N/A	N/A	N/A	N/A	N/A	
TOTAL DOM FIXED INCOME	83,971	7.3%	7.0%	0.31%	-0.27%	2.09%	0.42%	2.56%	6.87%	
LB AGGREGATE				3.69%	0.09%	0.05%	4.61%	8.62%	11.22%	
HIGH YIELD BONDS										
Western Asset	83,679	7.3%	7.0%	-7.58%	0.53%	5.75%	-4.41%	-6.08%	-4.46%	
LB HIGH YIELD BOND INDEX				-6.41%	1.68%	5.78%	-4.23%	-3.60%	-0.96%	
INTERNATIONAL FIXED INCOME										
Intl Core										
UBS Global (Brinson)	68,403	5.9%	5.0%	14.11%	-1.52%	-3.56%	7.80%	16.83%	-7.58%	
SALOMON NON-US GOV'T BOND				13.97%	-1.87%	-3.97%	7.75%	15.72%	-7.43%	
REAL ESTATE (3)										
Heitman (JMB)	1,042	0.1%		2.15%	14.91%	-15.82%	2.13%	0.92%	1.92%	
Westmark (TCW)	0	0.0%		N/A	N/A	-10.72%	-4.64%	N/A	25.25%	
INVESCO	60,251	5.2%		-2.54%	0.59%	3.23%	1.39%	2.61%	13.52%	
J.P. Morgan	44,689	3.9%		0.69%	0.65%	1.23%	1.47%	4.10%	10.27%	
TOTAL REAL ESTATE	105,982	9.2%	9.0%	-1.05%	0.80%	2.25%	1.34%	3.35%	11.92%	
NCREIF PROPERTY INDEX				1.62%	1.67%	1.58%	1.75%	6.79%	11.15%	
PRIVATE EQUITY (3)										
Brinson IVCF III	2,072	0.2%		-0.92%	-1.07%	91.56%	-14.67%	61.30%	-17.89%	
Coral Partners V	14,344	1.2%		-0.62%	-9.51%	-11.30%	-34.09%	-46.32%	19.29%	
Coral Partners Supplemental V	963	0.1%		-1.12%	-2.91%	-0.92%	N/A	N/A	N/A	
Brinson 1998 Partnership Fund	2,517	0.2%		0.44%	-1.56%	-11.87%	-3.49%	-15.23%	-3.63%	
Brinson 1999 Partnership Fund	2,865	0.2%		-6.14%	-5.24%	-11.39%	-1.32%	-21.70%	-4.36%	
Brinson 2000 Partnership Fund	3,840	0.3%		-5.76%	-5.40%	-4.11%	-0.50%	-14.95%	2.74%	
Brinson 2001 Partnership Fund	847	0.1%		-3.88%	-0.58%	-1.75%	-0.12%	-6.22%	N/A	
Brinson 2002 Partnership Fund	165	0.0%		0.35%	N/A	N/A	N/A	N/A	N/A	
Brinson 1999 Non-US Partnership Fund	1,074	0.1%		-2.25%	-3.46%	-0.95%	-1.98%	-7.68%	2.24%	
Brinson 2000 Non-US Partnership Fund	954	0.1%		-1.18%	-5.99%	2.67%	-1.98%	-6.51%	-7.03%	
Brinson 2001 Non-US Partnership Fund	509	0.0%		-4.18%	0.66%	0.66%	0.66%	-4.85%	N/A	
Brinson 2002 Non-US Partnership Fund	137	0.0%		N/A	N/A	N/A	N/A	N/A	N/A	
Brinson BVCF IV	6,660	0.6%		-9.27%	-9.99%	-3.90%	-11.21%	-29.16%	-11.46%	
InvestAmerica Lewis & Clark Fund	82	0.0%		0.00%	N/A	N/A	N/A	N/A	N/A	
Hearthstone	3,292	0.3%		-6.51%	4.07%	3.57%	2.94%	4.99%	8.17%	
TOTAL PRIVATE EQUITY	40,323	3.5%	5.0%	-3.65%	-5.73%	-3.58%	-15.60%	-26.09%	7.19%	
POST VENTURE CAPITAL INDEX				-25.35%	-10.82%	29.99%	-35.63%	-44.30%	-48.23%	
CASH EQUIVALENTS										
TNT Short Term Extendable Portfolio	25,694	2.2%	2.0%	0.53%	0.48%	0.49%	0.77%	2.29%	5.91%	
90 DAY T-BILLS				0.46%	0.43%	0.64%	1.08%	2.63%	5.90%	
TOTAL FUND	1,153,317	100.0%	100.0%	-6.85%	1.02%	8.83%	-11.01%	-8.88%	-7.00%	
POLICY TARGET BENCHMARK				-7.30%	0.95%	10.23%	-12.03%	-9.26%	-10.37%	
TOTAL VALUE ADDED DUE TO										
Asset Mix				0.45%	0.23%	-0.51%	0.97%	1.15%	1.30%	
Active Management				0.03%	-0.17%	-0.77%	0.19%	-0.71%	2.42%	
Total Value Added				0.49%	0.07%	-1.28%	1.16%	0.43%	3.72%	

(1) Funded between July 25 and August 1, 2000.

(2) Brinson and Nicholas-Applegate were terminated and SEI hired May 18, 2001 with a transition of assets occurring during the month of June.

(3) Monthly returns estimated based on quarters' returns.

NOTE: Due to a discovery of a more accurate method for calculating the gross vs net of fee returns for the private equity funds, adjustments were made to the quarterly returns for FY 2001 and 2002 and total fund returns have been restated.

Monthly returns and market values are preliminary and subject to change.
Returns are net of investment management fees.